

Introduced by Senator Pavley
(Principal coauthor: Assembly Member Huffman)

December 2, 2008

An act to amend Section 38597 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 31, as introduced, Pavley. California Global Warming Solutions Act of 2006: revenue allocations.

The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to adopt regulations to require the reporting and verification of emissions of greenhouse gases and to monitor and enforce compliance with the reporting and verification program, and requires the state board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990 to be achieved by 2020. The act requires the state board to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. The act authorizes the state board to include the use of market-based compliance mechanisms. The act authorizes the state board to adopt a schedule of fees to be paid by the sources of greenhouse gas emissions regulated pursuant to the act, and requires the revenues collected pursuant to that fee to be deposited into the Air Pollution Control Fund and be available, upon appropriation by the Legislature, for purposes of carrying out the act.

This bill would require that revenues collected pursuant to compliance mechanisms adopted by the state board also be deposited in the Air Pollution Control Fund. This bill would specify certain uses of the

revenues collected pursuant to the fee discussed above and the compliance mechanisms.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) The Legislature enacted the California Global Warming
4 Solutions Act of 2006 (the act) in an effort to curb
5 climate-changing greenhouse gases that pose a serious threat to
6 the economic well-being, public health, natural resources, and
7 environment of California.

8 (b) The act requires the State Air Resources Board, to the
9 maximum extent feasible, to direct public and private investment
10 toward the most disadvantaged communities in California and
11 provide an opportunity for small businesses, schools, affordable
12 housing associations, and other community institutions to
13 participate in and benefit from statewide efforts to reduce
14 greenhouse gas emissions.

15 (c) The act also directs the state board to create policies,
16 programs, and regulations that maximize benefits for California's
17 economy, improve and modernize California's energy infrastructure
18 and maintain electric system reliability, maximize additional
19 environmental and economic cobenefits for California, and
20 complement the state's efforts to improve air quality.

21 (d) The state board estimates that efforts to reduce greenhouse
22 gas emissions and develop new green technology would boost
23 economic production by twenty-seven billion dollars
24 (\$27,000,000,000) and create approximately 100,000 jobs in
25 California. The state board also states that air pollution
26 improvements under the act will provide broad public health
27 benefits, including reductions in premature death, respiratory
28 disease, asthma, and worker absenteeism attributed to health
29 problems.

30 (e) In the process of implementing the act, policy bodies that
31 are carrying out or advising on its implementation, including the
32 state board, the State Energy Resources Conservation and
33 Development Commission, the Public Utilities Commission, the

1 Environmental Justice Advisory Committee, the Economic and
2 Technology Advancement Advisory Committee, and the Market
3 Advisory Committee all recommend some form of fees, auctions,
4 or other revenue sources to carry out the provisions of the act.

5 (f) It is the Legislature's role and responsibility to ensure that
6 expenditures of public funds reflect the policy priorities and public
7 interests of the people of California.

8 SEC. 2. Section 38597 of the Health and Safety Code is
9 amended to read:

10 38597. The state board may adopt by regulation, after a public
11 workshop, a schedule of fees to be paid by the sources of
12 greenhouse gas emissions regulated pursuant to this division,
13 consistent with Section 57001. The revenues collected pursuant
14 to this section, *or pursuant to compliance mechanisms adopted by*
15 *the state board*, shall be deposited into the Air Pollution Control
16 Fund and are available, upon appropriation; by the Legislature,
17 for purposes of carrying out this division, *including, but not limited*
18 *to, all of the following:*

19 (a) *The costs of administering this division.*

20 (b) *Renewable energy and energy efficiency programs that*
21 *reduce greenhouse gas emissions, particularly those programs*
22 *focusing on low-income consumers.*

23 (c) *Investments in technologies to reduce greenhouse gas*
24 *emissions, including research, development, and demonstration*
25 *and deployment, especially technologies that provide pollution*
26 *reduction cobenefits.*

27 (d) *Green jobs development and training that will reduce*
28 *greenhouse gas emissions.*